

House File 2414 - Introduced

HOUSE FILE 2414
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 629)

A BILL FOR

1 An Act relating to the provision of medical support in child
2 support actions, and including effective date provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 252C.1, subsection 6, Code 2018, is
2 amended to read as follows:

3 6. *"Medical support"* means ~~either the provision of~~
4 ~~coverage under a health benefit plan, including a group or~~
5 ~~employment-related or an individual health benefit plan, or~~
6 ~~a health benefit plan provided pursuant to [chapter 514E](#), to~~
7 ~~meet the medical needs of a dependent and the cost of any~~
8 ~~premium required by a health benefit plan, or the payment to~~
9 ~~the obligee of a monetary amount in lieu of providing coverage~~
10 ~~under a health benefit plan, either of which is an obligation~~
11 ~~separate from any monetary amount of child support ordered~~
12 ~~to be paid. Medical support which consists of payment of~~
13 ~~a monetary amount in lieu of a health benefit plan is also~~
14 ~~an obligation separate from any monetary amount a parent is~~
15 ~~ordered to pay for uncovered medical expenses pursuant to the~~
16 ~~guidelines established pursuant to [section 598.21B](#) medical~~
17 ~~support as defined in section 252E.1.~~

18 Sec. 2. Section 252E.1, Code 2018, is amended to read as
19 follows:

20 **252E.1 Definitions.**

21 As used in [this chapter](#), unless the context otherwise
22 requires:

23 1. *"Accessible"* means any of the following, unless otherwise
24 provided in the support order:

25 a. The health benefit plan does not have service area
26 limitations or provides an option not subject to service area
27 limitations.

28 b. The health benefit plan has service area limitations and
29 the dependent lives within thirty miles or thirty minutes of a
30 network primary care provider.

31 2. *"Basic coverage"* means health care coverage ~~provided~~
32 ~~under a health benefit plan~~ that at a minimum provides coverage
33 for emergency care, inpatient and outpatient hospital care,
34 physician services whether provided within or outside a
35 hospital setting, and laboratory and x-ray services.

1 3. "Cash medical support" means a monetary amount that
 2 a parent is ordered to pay to the obligee in lieu of that
 3 parent providing health care coverage, which amount is five
 4 percent of the gross income of the parent ordered to pay the
 5 monetary amount or, if the child support guidelines established
 6 pursuant to section 598.21B specifically provide an alternative
 7 income-based numeric standard for determining the amount,
 8 the amount determined by the standard specified by the child
 9 support guidelines. "Cash medical support" is an obligation
 10 separate from any monetary amount a parent is ordered to pay
 11 for uncovered medical expenses pursuant to the guidelines
 12 established pursuant to section 598.21B.

13 ~~3.~~ 4. "Child" means a person for whom child or medical
 14 support may be ordered pursuant to chapter 234, 239B, 252A,
 15 252C, 252F, 252H, 252K, 598, 600B, or any other chapter of the
 16 Code or pursuant to a comparable statute of another state or
 17 foreign country.

18 ~~4.~~ 5. "Department" means the department of human services,
 19 which includes but is not limited to the child support recovery
 20 unit, or any comparable support enforcement agency of another
 21 state.

22 ~~5.~~ 6. "Dependent" means a child, or an obligee for whom a
 23 court may order health care coverage by a health benefit plan
 24 pursuant to section 252E.3.

25 ~~6.~~ 7. "Enroll" means to be eligible for and covered by a
 26 health benefit plan.

27 ~~7.~~ 8. "Health benefit plan" means any policy or contract
 28 of insurance, indemnity, subscription or membership issued by
 29 an insurer, health service corporation, health maintenance
 30 organization, or any similar corporation, or organization, any
 31 public coverage, or a any self-insured employee benefit plan,
 32 for the purpose of covering medical expenses. These expenses
 33 may include but are not limited to hospital, surgical, major
 34 medical insurance, dental, optical, prescription drugs, office
 35 visits, or any combination of these or any other comparable

1 health care expenses.

2 9. "Health care coverage" or "coverage" means providing and
3 paying for the medical needs of a dependent through a health
4 benefit plan.

5 8. 10. "Insurer" means any entity which, including a health
6 service corporation, health maintenance organization, or any
7 similar corporation or organization, or an employer offering
8 self-insurance, that provides a health benefit plan, but does
9 not include an entity that provides public coverage.

10 9. 11. "Medical support" means either the provision of a
11 health benefit plan, including a group or employment-related
12 or an individual health benefit plan, or a health benefit plan
13 provided pursuant to [chapter 514E](#), to meet the medical needs
14 of a dependent and the cost of any premium required by a health
15 benefit plan, care coverage or the payment to the obligee of
16 a monetary amount in lieu of a health benefit plan, either
17 of which is an obligation separate from any monetary amount
18 of child cash medical support ordered to be paid. Medical
19 support "Medical support" is not alimony. Medical support which
20 consists of payment of a monetary amount in lieu of a health
21 benefit plan is also an obligation separate from any monetary
22 amount a parent is ordered to pay for uncovered medical
23 expenses pursuant to the guidelines established pursuant to
24 [section 598.21B](#).

25 10. 12. "National medical support notice" means a notice
26 as prescribed under 42 U.S.C. §666(a)(19) or a substantially
27 similar notice, that is issued and forwarded by the department
28 in accordance with [section 252E.4](#) to enforce medical support
29 the health care coverage provisions of a support order. The
30 national medical support notice is not applicable to a provider
31 of public coverage.

32 11. 13. "Obligee" means a parent or another natural person
33 legally entitled to receive a support payment on behalf of a
34 child.

35 12. 14. "Obligor" means a parent or another natural person

1 legally responsible for the support of a dependent.

2 ~~13.~~ 15. "Order" means a support order entered pursuant to
3 chapter 234, 252A, 252C, 252F, 252H, 252K, 598, 600B, or any
4 other support chapter, or pursuant to a comparable statute of
5 another state or foreign country, or an ex parte order entered
6 pursuant to section 252E.4. "Order" also includes a notice of
7 such an order issued by the department.

8 ~~14.~~ 16. "Plan administrator" means the employer or sponsor
9 that offers the health benefit plan or the person to whom the
10 duty of plan administrator is delegated by the employer or
11 sponsor offering the health benefit plan, by written agreement
12 of the parties. "Plan administrator" does not include a
13 provider of public coverage.

14 ~~15.~~ 17. "Primary care provider" means a physician who
15 provides primary care who is a family or general practitioner,
16 a pediatrician, an internist, an obstetrician, or a
17 gynecologist; an advanced registered nurse practitioner; or a
18 physician assistant.

19 18. "Public coverage" means health care benefits provided by
20 any form of federal or state medical assistance, including but
21 not limited to benefits provided under chapter 249A or 514I,
22 or under comparable laws of another state, foreign country, or
23 Indian nation or tribe.

24 19. "Unit" or "child support recovery unit" means unit as
25 defined in section 252B.1.

26 Sec. 3. Section 252E.1A, Code 2018, is amended to read as
27 follows:

28 252E.1A Establishing and modifying orders for medical
29 support.

30 1. This section shall apply to all initial or modified
31 orders for support entered under chapter 234, 252A, 252C, 252F,
32 252H, 598, 600B, or any other applicable chapter. If an action
33 to establish or modify an order for support is initiated by the
34 child support recovery unit, section 252E.1B shall also apply.

35 ~~1.~~ 2. An order or judgment that provides for temporary or

1 permanent support for a child shall include a provision for
2 medical support for the child as provided in [this section](#).

3 ~~2.~~ 3. The court shall order as medical support for the
4 child health care coverage if a health benefit plan if other
5 than public coverage is available to either parent at the time
6 the order is entered or modified. A health benefit plan is
7 available if the plan is accessible and the cost of the plan is
8 reasonable.

9 *a.* The cost of a health benefit plan is considered
10 reasonable, and such amount shall be stated in the order, if
11 one of the following applies:

12 (1) The premium cost for a child to the parent ordered
13 to provide ~~the plan~~ coverage does not exceed five percent of
14 that parent's gross income or the child support guidelines
15 established pursuant to [section 598.21B](#) specifically provide an
16 alternative income-based numeric standard for determining the
17 reasonable cost of the premium, in which case the reasonable
18 cost of the premium as determined by the standard specified by
19 the child support guidelines shall apply.

20 (2) The premium cost for a child exceeds the amount
21 specified in subparagraph (1) and that parent consents or does
22 not object to entry of that order.

23 *b.* For purposes of [this section](#), "*gross income*" has the same
24 meaning as gross income for calculation of support under the
25 guidelines established under [section 598.21B](#).

26 *c.* For purposes of [this section](#), "*the premium cost for*
27 *a child to the parent*" ordered to provide ~~the plan~~ coverage
28 means the amount of the premium cost for family coverage to
29 the parent which is in excess of the premium cost for single
30 coverage, regardless of the number of individuals covered under
31 the plan. ~~However, this paragraph shall not be interpreted to~~
32 ~~reduce the amount of the health insurance premium deduction~~
33 ~~a parent may be entitled to when calculating the amount of a~~
34 ~~child support obligation under [Iowa court rule 9.5](#) of the child~~
35 ~~support guidelines.~~

1 d. For purposes of this section, "family coverage" means
 2 coverage that covers multiple individuals and covers or could
 3 cover the child or children subject to the child support order.

4 ~~3. 4. If a health benefit plan other than public coverage~~
 5 ~~is not available to either parent at the time of the entry~~
 6 ~~of the order, and the custodial parent does not have public~~
 7 ~~coverage for the child, the court shall order a reasonable~~
 8 ~~monetary cash medical support in an amount in lieu of a health~~
 9 ~~benefit plan, which amount shall be stated in the order. For~~
 10 ~~purposes of this subsection, a reasonable amount means five~~
 11 ~~percent of the gross income of the parent ordered to provide~~
 12 ~~the monetary amount for medical support or, if the child~~
 13 ~~support guidelines established pursuant to section 598.21B~~
 14 ~~specifically provide an alternative income-based numeric~~
 15 ~~standard for determining the reasonable amount, a reasonable~~
 16 ~~amount means the amount as determined by the standard specified~~
 17 ~~by the child support guidelines. This subsection shall not~~
 18 ~~apply in any of the following circumstances:~~

19 a. If the parent's monthly support obligation established
 20 pursuant to the child support guidelines prescribed by the
 21 supreme court pursuant to section 598.21B is the minimum
 22 obligation amount. If this paragraph applies, the court shall
 23 order the parent to provide a health benefit plan care coverage
 24 when a plan becomes available for which there is no premium
 25 cost for a child to the parent.

26 b. If subsection 7, paragraph "d", "e", or "f" applies the
 27 noncustodial parent does not have income which may be subject
 28 to income withholding for collection of cash medical support at
 29 the time of the entry of the order. If this paragraph applies,
 30 the court shall order the noncustodial parent to provide health
 31 care coverage when a health benefit plan becomes available at
 32 a reasonable cost, and the order shall specify the amount of
 33 the reasonable cost as specified in subsection 3, paragraph "a",
 34 subparagraph (1).

35 c. If the noncustodial parent is receiving assistance or

1 is residing with any child receiving assistance as provided
 2 in section 252E.2A, subsection 1, paragraph "c", subparagraph
 3 (3) or (4). If this paragraph applies, the court shall order
 4 the noncustodial parent to provide health care coverage when
 5 a health benefit plan becomes available for which there is no
 6 premium cost for a child to the parent.

7 ~~4.~~ 5. If a health benefit plan other than public coverage
 8 is not available to either parent at the time of the entry of
 9 the order, and the custodial parent has public coverage for the
 10 child, the court ~~orders~~ shall order the custodial parent to
 11 provide a health benefit plan under ~~subsection 2~~ care coverage,
 12 and the court may also shall order the noncustodial parent to
 13 provide a reasonable monetary pay cash medical support, which
 14 amount in lieu of a health benefit plan shall be stated in the
 15 order, unless an exception under subsection 4 applies. For
 16 purposes of ~~this subsection~~, a reasonable monetary amount means
 17 an amount not to exceed the lesser of a reasonable amount as
 18 described in ~~subsection 3~~, or the premium cost of coverage for
 19 the child to the custodial parent as described in subsection
 20 2, paragraph "c".

21 5. 6. Notwithstanding the requirements of ~~this section~~, the
 22 court may order provisions in the alternative to those provided
 23 in ~~this section~~ to address the health care needs of the child
 24 if the court determines that extreme circumstances so require
 25 and documents the court's written findings in the order.

26 ~~6.~~ 7. An order, decree, or judgment entered before July 1,
 27 2009 October 1, 2018, that provides for the support of a child
 28 may be modified in accordance with ~~this section~~.

29 ~~7.~~ If the child support recovery unit is providing services
 30 under ~~chapter 252B~~ and initiating an action to establish or
 31 modify support, all of the following shall also apply:

32 a. If a health benefit plan is available as described in
 33 ~~subsection 2~~ to the noncustodial parent, the unit shall seek an
 34 order for the noncustodial parent to provide the plan.

35 b. If a health benefit plan is available as described

1 in ~~subsection 2~~ to the custodial parent and not to the
2 noncustodial parent, the unit shall seek an order for the
3 custodial parent to provide the plan.

4 ~~c.~~ If a health benefit plan is available as described in
5 ~~subsection 2~~ to each parent, and if there is an order for joint
6 physical care, the unit shall seek an order for the parent
7 currently ordered to provide a health benefit plan to provide
8 the plan. If there is no current order for a health benefit
9 plan for the child, the unit shall seek an order for the parent
10 who is currently providing a health benefit plan to provide the
11 plan.

12 ~~d.~~ If a health benefit plan is not available, and the
13 noncustodial parent does not have income which may be subject
14 to income withholding for collection of a reasonable monetary
15 amount in lieu of a health benefit plan at the time of the
16 entry of the order, the unit shall seek an order that the
17 noncustodial parent provide a health benefit plan when a plan
18 becomes available at reasonable cost, and the order shall
19 specify the amount of reasonable cost as defined in subsection
20 2.

21 ~~e.~~ If a health benefit plan is not available, and the
22 noncustodial parent is receiving assistance or is residing with
23 any child receiving assistance as provided in section 252E.2A,
24 subsection 1, paragraph "c", subparagraph (3) or (4), the unit
25 shall seek an order that the noncustodial parent shall provide
26 a health benefit plan when a plan becomes available for which
27 there is no premium cost for a child to the parent.

28 ~~f.~~ ~~This section~~ shall not apply to chapter 252H, subchapter
29 IV.

30 Sec. 4. NEW SECTION. 252E.1B Establishing and modifying
31 orders for medical support — actions initiated by child support
32 recovery unit.

33 1. If the child support recovery unit is initiating an
34 action to establish or modify support, this section shall apply
35 in addition to the provisions of section 252E.1A.

1 2. The unit shall apply the following order of priority when
2 the unit enters or seeks an order for medical support:

3 *a.* If the custodial parent is currently providing coverage
4 for the child under a health benefit plan other than public
5 coverage, and the plan is available as described in section
6 252E.1A, subsection 3, the unit shall enter or seek an order
7 for the custodial parent to provide coverage.

8 *b.* If the noncustodial parent is currently providing
9 coverage for the child under a health benefit plan other than
10 public coverage, and the plan is available as described in
11 section 252E.1A, subsection 3, the unit shall enter or seek an
12 order for the noncustodial parent to provide coverage.

13 *c.* If a health benefit plan other than public coverage is
14 available as described in section 252E.1A, subsection 3, to the
15 custodial parent, the unit shall enter or seek an order for the
16 custodial parent to provide coverage.

17 *d.* If a health benefit plan other than public coverage is
18 available as described in section 252E.1A, subsection 3, to the
19 noncustodial parent, the unit shall enter or seek an order for
20 the noncustodial parent to provide coverage.

21 *e.* If a health benefit plan other than public coverage is
22 not available to either parent, and the custodial parent has
23 public coverage for the child, the unit shall enter or seek an
24 order for the custodial parent to provide health care coverage
25 and shall enter or seek an order for the noncustodial parent to
26 pay cash medical support. However, if any of the circumstances
27 described in section 252E.1A, subsection 4, paragraph "a",
28 "b", or "c" is met, the unit shall enter or seek an order as
29 specified by the applicable paragraph.

30 3. Notwithstanding subsection 2, if there is an order for
31 joint physical care for the child and the parties subject to
32 the support order, the unit shall apply the following order of
33 priority when the unit enters or seeks an order for medical
34 support:

35 *a.* If only one parent is currently providing coverage

1 for the child under a health benefit plan other than public
2 coverage, and the plan is available as described in section
3 252E.1A, subsection 3, the unit shall enter or seek an order
4 for that parent to provide coverage.

5 *b.* If both parents are currently providing coverage for the
6 child under a health benefit plan other than public coverage,
7 and both plans are available as described in section 252E.1A,
8 subsection 3, the unit shall enter or seek an order for both
9 parents to provide coverage.

10 *c.* If neither parent is currently providing coverage
11 for the child under a health benefit plan other than public
12 coverage, and a health benefit plan other than public coverage
13 is available as described in section 252E.1A, subsection 3,
14 to one parent, the unit shall enter or seek an order for that
15 parent to provide coverage.

16 *d.* If neither parent is currently providing coverage
17 for the child under a health benefit plan other than public
18 coverage, and a health benefit plan other than public coverage
19 is available as described in section 252E.1A, subsection 3, to
20 both parents, the unit shall enter or seek an order for both
21 parents to provide coverage.

22 *e.* If a health benefit plan other than public coverage
23 is not available to either parent and one parent has public
24 coverage for the child, the unit shall enter or seek an order
25 for that parent to provide health care coverage.

26 4. The child support recovery unit or the court shall not
27 order any modification to an existing medical support order
28 in a proceeding conducted solely pursuant to chapter 252H,
29 subchapter IV.

30 Sec. 5. Section 252E.2, subsection 1, Code 2018, is amended
31 to read as follows:

32 1. An order requiring the provision of coverage under a
33 health benefit plan other than public coverage is authorization
34 for enrollment of the dependent if the dependent is otherwise
35 eligible to be enrolled. The dependent's eligibility and

1 enrollment for coverage under such a plan shall be governed by
2 all applicable terms and conditions, including, but not limited
3 to, eligibility and insurability standards. The dependent, if
4 eligible, shall be provided the same coverage as the obligor.

5 Sec. 6. Section 252E.3, Code 2018, is amended to read as
6 follows:

7 **252E.3 Health benefit care coverage of obligee.**

8 For cases for which services are being provided pursuant
9 to [chapter 252B](#), the order may require an obligor providing a
10 health ~~benefit-plan~~ care coverage for a child to also provide a
11 health ~~benefit-plan~~ care coverage for the benefit of an obligee
12 if the obligee is eligible for enrollment under the plan in
13 which the child or the obligor is enrolled, and if ~~the plan~~
14 coverage for the obligee is available at no additional cost.

15 Sec. 7. Section 252E.4, subsection 1, Code 2018, is amended
16 to read as follows:

17 1. When a support order requires an obligor to provide
18 coverage under a health benefit plan other than public
19 coverage, the district court or the department may enter an
20 ex parte order directing an employer to take all actions
21 necessary to enroll an obligor's dependent for coverage under
22 a health benefit plan or may include the provisions in an ex
23 parte income withholding order or notice of income withholding
24 pursuant to [chapter 252D](#). The child support recovery unit,
25 where appropriate, shall issue a national medical support
26 notice to an employer within two business days after the
27 date information regarding a newly hired employee is entered
28 into the centralized employee registry and matched with a
29 noncustodial parent in the case being enforced by the unit, or
30 upon receipt of other employment information for such parent.
31 The department may amend the information in the ex parte order
32 or may amend or terminate the national medical support notice
33 regarding health insurance provisions if necessary to comply
34 with health insurance requirements including but not limited to
35 the provisions of [section 252E.2, subsection 2](#), or to correct

1 a mistake of fact.

2 Sec. 8. Section 252E.16, subsection 1, Code 2018, is amended
3 to read as follows:

4 1. ~~The~~ Unless otherwise specified, the provisions of this
5 chapter take effect July 1, 1990, for all support orders
6 entered pursuant to chapter 234, 252A, 252C, 598, or 600B.

7 Sec. 9. ADMINISTRATIVE RULES — TRANSITION. Until such
8 time as the department of human services adopts rules pursuant
9 to chapter 17A necessary to administer this Act, all of the
10 following shall apply:

11 1. The child support recovery unit may initiate proceedings
12 to establish and modify support orders in accordance with
13 chapter 252E, as amended in this Act.

14 2. The child support recovery unit may, to the extent
15 appropriate, apply and utilize procedures, rules, and forms
16 substantially similar to those applicable and utilized pursuant
17 to section 252E.1B, as enacted in this Act, for proceedings
18 initiated in accordance with section 252E.1A.

19 Sec. 10. EFFECTIVE DATE. This Act takes effect October 1,
20 2018.

21 EXPLANATION

22 The inclusion of this explanation does not constitute agreement with
23 the explanation's substance by the members of the general assembly.

24 This bill amends provisions relating to medical support
25 for a child, based on the final rule adopted by the centers
26 for Medicare and Medicaid services and the administration
27 for children and families of the United States department of
28 health and human services on December 20, 2016, pursuant to
29 Executive Order 13563 of January 18, 2011. Under 45 C.F.R.
30 subtitle B, chapter III, section 303.31, specifically, states
31 are provided with flexibility to permit parents to meet their
32 medical support obligations by providing health care coverage
33 or payment for medical expenses that are reasonable in cost and
34 best meet the health care needs of the child, and clarifies
35 that health care coverage includes public and private coverage.

1 The bill provides definitions including "cash medical
2 support", "health care coverage", and "public coverage", and
3 includes public coverage in the definition of a "health benefit
4 plan".

5 The bill provides for the provision of medical support
6 either by providing and paying for the medical needs of a
7 dependent through a health benefit plan, including public
8 coverage, or the payment of cash medical support. The bill
9 provides the conditions for determining whether medical support
10 is to be provided through a health benefit plan other than
11 public coverage or through public coverage and whether the
12 custodial or noncustodial parent is required to provide health
13 care coverage.

14 The bill also provides the process and order of priority to
15 be followed when the child support recovery unit (CSRU) enters
16 or seeks an order for medical support.

17 The bill directs the department of human services to adopt
18 rules pursuant to Code chapter 17A as necessary to administer
19 the bill, but provides that until such time as rules are
20 adopted the CSRU may initiate proceedings to establish and
21 modify support orders in accordance with Code chapter 252E,
22 as amended in the bill, and may, to the extent appropriate,
23 apply and utilize procedures, rules, and forms substantially
24 similar to those applicable and utilized pursuant to Code
25 section 252E.1B for proceedings initiated in accordance with
26 Code section 252E.1A, as enacted in the bill.

27 The bill takes effect October 1, 2018.